

Day Contract Boilerplate

This PDF document contains the fiscal years 2011-2012 Day POS Contract boilerplate.

This PDF has 3 pages that must be removed, and replaced with the following PDF files that were sent as attachments in this correspondence:

1. Cover Page PDF (page 1)
2. Summary Page PDF (page 39), and
3. Signature Page PDF (page 40).

In order to satisfy the legal requirement of a contract execution, DDS must receive the POS Contract Boilerplate, the POS Cover Page (page 1), the POS Summary Page (page 39), and the POS Signature Page (page 40) electronically within the same e-mail. These three documents must be scanned into a PDF File, and attached in a reply e-mail to the sender of this e-mail. If you do not have the capability to scan these documents, please fax them to Julie Bouchard at 860-622-2663.

Additionally, please return the original hard copy of the completed signature pages of the POS Signature Page (page 40), the Consulting Agreement Affidavit, Gift and Campaign Contribution Certificate, Corporate Resolution, and Non-Discrimination Certificate to:

Sandra McNally, FAO
Department of Developmental Services
460 Capital Avenue
Hartford, CT 06106

Please return the signed documents by June 18, 2010.

**REMOVE THIS INSERT PAGE
REPLACE WITH PAGE 1 OF 40
IN THE PROVIDER SPECIFIC
CONTRACT PAGES PDF FILE.**

TABLE OF CONTENTS

Part I

Scope of Services, Contract Performance, Budget, Reports, Program-Specific and Agency-Specific Sections

Part II

Terms and Conditions

A. Definitions

1. Bid
2. Breach
3. Cancellation
4. Claims
5. Client
6. Contract
7. Contractor Parties
8. Data
9. Day
10. Expiration
11. Force Majeure
12. Records
13. Services
14. State
15. Termination

B. Client-Related Safeguards

1. Inspection of Work Performed
2. Safeguarding Client Information
3. Reporting of Client Abuse or Neglect
4. Background Checks

C. Contractor Obligations

1. Cost Standards
2. Credits and Rights in Data
3. Organizational Information, Conflict of Interest, IRS Form 990
4. Federal Funds
5. Audit Requirements
6. Related Party Transactions
7. Suspension or Debarment
8. Liaison
9. Subcontracts
10. Independent Capacity of Contractor
11. Indemnification
12. Insurance

C. Contractor Obligations cont'd

13. Choice of Law/Choice of Forum; Settlement of Disputes; Claims Against the State
14. Compliance with Law and Policy, Facilities Standards and Licensing
15. Representations and Warranties
16. Reports
17. Delinquent Reports
18. Record Keeping and Access
19. Encryption of Data
20. Workforce Analysis
21. Litigation
22. Sovereign Immunity

D. Changes To The Contract, Termination, Cancellation and Expiration

1. Contract Amendment
2. Contractor Changes and Assignment
3. Breach
4. Non-enforcement Not to Constitute Waiver
5. Suspension
6. Ending the Contractual Relationship
7. Transition after Termination or Expiration of Contract

E. Statutory and Regulatory Compliance

1. Health Insurance Portability and Accountability Act of 1996
2. Americans with Disabilities Act
3. Utilization of Minority Business Enterprises
4. Priority Hiring
5. Non-discrimination
6. Freedom of Information
7. Whistleblowing
8. Campaign Contribution Restrictions
9. Non-smoking
10. Executive Orders

PART I. SCOPE OF SERVICES, CONTRACT PERFORMANCE, BUDGET, REPORTS, PROGRAM-SPECIFIC AND AGENCY-SPECIFIC SECTIONS

The Contractor shall provide the following specific services for the day program(s) and shall comply with the terms and conditions set forth in this Contract as required by the Agency, including but not limited to the requirements and measurements for scope of services, Contract performance, quality assurance, reports, terms of payment and budget. No sections in this Part I shall be interpreted to negate, supersede or contradict any section of Part II. In the event of any such inconsistency between Part I and Part II, the sections of Part II shall control.

A. Description of Programs.

1. Glossary of Terms.

- (a) **Active Treatment** - Refers to aggressive, consistent implementation of a Participant's program of specialized and generic training, treatment and health services.
- (b) **Adult Companion** - Non-medical care, supervision, and socialization provided to an adult. Service may include assistance with meals and basic activities of daily living and/or completion of light housekeeping tasks, which are incidental to the care and supervision of the individual. This service is provided to carry out personal outcomes identified in the Individual Plan.
- (c) **Case Manager** - Department of Developmental Services (also referred to as "DDS") employee who is assigned primary responsibility a Participant. The case manager serves as primary contact with the individual or family/guardian on the Participant's behalf.
- (d) **Contract Service Authorization (CSA)** - Authorization for the Contractor to provide supports and services to Participants. A CSA identifies the Participant, the effective date, the type of supports and the amount of supports the DDS has authorized the Contractor to provide.
- (e) **Continuous Quality Improvement Plan** – A plan that documents the strengths and weaknesses of a Contractor, identifies areas of improvement, and establishes goals for a number of priority areas.
- (f) **Cultural Competency**- DDS services and supports that are sensitive to the ethnic, racial, religious and national backgrounds of the participants and their families by expanding the involvement of these groups in the management and direction of the program.
- (g) **Culturally Diverse** – The multitude of ethnic, racial, religious and national backgrounds of the participants and their families supported by DDS.
- (h) **Individualized Home Supports** - Assistance with the acquisition, improvement and/or retention of skills and provides necessary support to achieve personal habilitative outcomes that enhance an individual's ability to live in their community as specified in the plan of care. This service includes a combination of habilitative and personal support activities as they would naturally occur during the course of a day. This service is not available for use in licensed settings.
- (i) **Individual Plan (IP)** - A comprehensive plan that includes an individual's current life situation, future vision, an assessment and analysis of the individual's abilities, preferences, and support needs, identification of

desired outcomes, the development of strategies and action plans to address needs, personal goals and desired outcomes, identification of supports and services to be provided and an evaluation of the individual's progress on an on-going basis to assure that the individual's needs and desired outcomes are being met.

- (j) **Interdisciplinary Team (IDT)** - A group of persons which includes the Participant being served, his or her family/guardian or advocate, those persons who work most directly with the Participant in each of the professions, disciplines, or service areas that provide service to the Participant, including direct care staff and any other persons whose participation is relevant to identifying the needs of the Participant, devising ways to meet them, writing an IP and reviewing its effectiveness.
- (k) **Intermediate Care Facilities (ICF)** - A health care facility for individuals who are disabled, elderly, or nonacutely ill, usually providing less intensive care than that offered at a hospital or skilled nursing facility.
- (l) **Mid Year Expense Report** – A summary of budget and expense form that details expenses for the period of July 1 – December 31 for each fiscal year of the contract within four expense categories – “Administrative & General”, “Benefits”, “Salary”, and “Non-Salary”.
- (m) **Mobile Work Crew** – A group of Participants who work together to provide a service in the community. This group travels to a number of worksites during the day and perform work in a variety of locations under the supervision of a permanent employment specialist (job coach/supervisor).
- (n) **Operational Plan (OP)** - A budget document prepared by the Contractor that details projected expenses within four expense categories – “Administrative & General”, “Benefits”, “Salary”, and “Non-Salary”.
- (o) **Participant** - A person who has been authorized by the DDS to receive services under this Contract. Participants are also referred to as “Clients” in Part II of this Contract.
- (p) **Planning and Resource Allocation Team (PRAT)** – A regional team chaired by the DDS Planning, Resource Allocation Team Coordinator, and comprised of DDS representatives from Resource Management, Case Management Supervision, Business Office, Family Support, and Regional Administration. This team manages the process whereby DDS identifies available resources, identifies individual Participant needs, assigns priority determination, implements DDS Planning and Resource Allocation policies and procedures, makes recommendations regarding applicants for the HCBS waiver, processes allocation of resources, and makes referrals to available out-of-home residential group living settings and Contractor-based day services.
- (q) **Personal Support** - Assistance necessary to meet the individual's day-to-day activity and daily living needs and to reasonably assure adequate support at home and in the community to carry out personal outcomes.
- (r) **Procedure Codes** - A broad term to identify systematic numeric or alphanumeric designations used by healthcare providers and medical suppliers to report professional services, procedures and supplies.
- (s) **Qualified Providers** - A private organization that is qualified to provide services to a Participant or group of Participants in a residential or day program who have applied for and been determined eligible for the programs and services of the DDS, or who have been determined eligible by operation of law, and who is maintained as such in the DDS's individual data base.
- (t) **Quality Service Review (QSR)** - An assessment to determine the quality of service delivered by qualified providers and a personal outcome review to assess individual Participant's satisfaction with services and supports.
- (u) **Respite Services** - Temporary care of a Participant to provide a rest or period of relief for the primary caregiver. Services include recruitment, hiring and training of respite workers, providing supervision and

matching services to families who need respite, and allocating funding to allow Participants served under this Contract to attend summer camp.

- (v) **Resource Administration** - The division of DDS that has administrative oversight responsibilities for Contractors. Responsibilities include managing contract service authorizations and related budgets, as well as ensuring quality services and contract compliance.
- (w) **Regional Resource Administrator** - The supervisory person of DDS Resource Managers in DDS Regional Resource Administration division.
- (x) **Resource Manager** - A staff member in the DDS Resource Administration unit who provides contract administration for assigned Contractors.
- (y) **Self-Determination** - An approach to service delivery for Participants to determine their future, design their own support plans, choose the assistance they need to live full lives, and control a personal budget for their supports. It is also known as “individual supports”, “self-directed supports”, or “consumer-directed supports”. Self-directed supports are designed to meet the needs of the Participant and enhance consumer empowerment, personal development, and choice and control over life decisions. Self-directed supports are provided in the person’s own home, family home, or other home in the community.
- (z) **Special Identification Code (SID)** - A number used to uniquely define appropriation budgets by tying an accounting transaction back to the appropriations act via a combination of other fields. The SID also defines the source and use of funding in non-appropriated funds. It is a required field on all expenditure and revenue transactions.

2. Day Programs.

- (a) **Individual Supported Employment (SEI)**. Intensive, ongoing supports that enable Participants, for whom competitive employment at or above the minimum wage is unlikely absent the provision of supports, and who because of their disabilities, need supports to perform in a regular work setting.

(1) Supported employment may include:

- (A) assisting the Participant to locate a job or develop a job on behalf of the Participant in a variety of settings, particularly work sites where persons without disabilities are employed;
- (B) services and supports that assist the Participant in achieving self-employment through the operation of a business;
- (C) activities needed to sustain paid work by the Participant, including supervision and training;
- (D) job site training, transportation, family support, or any service necessary to achieve and maintain the supported employment placement, throughout the term of the employment and in accordance with the CSA;
- (E) supports that vary in the intensity of initial job development, intensive training, and decreasing periodic monitoring; and/or
- (F) at a minimum, twice monthly contact with the Participant at the work site to assess job stability unless it is determined that off-site monitoring is more appropriate for a particular Participant.

(2) This service is not for use to provide ongoing long-term one-on-one (1:1) support to enable a Participant to complete work activities.

(b) **Group Supported Employment (GSE).** A supported employment situation in a competitive employment environment in which a group of Participants are working at a particular work setting. The Participants may be disbursed throughout the worksite:

- (1) among workers without disabilities;
- (2) congregated as a group in one part of the worksite; or
- (3) part of a Mobile Work Crew.

(c) **Day Support Options (DSO).** Supports to Participants that lead to the acquisition, improvement, and/or retention of skills and abilities to prepare a Participant for work and/or community participation, or support meaningful socialization, leisure, and retirement activities. Supports include the development, maintenance or enhancement of independent functioning skills including but not limited to sensory-motor, cognition, personal grooming, hygiene, toileting, assistance in developing and maintaining friendships of choice and skills to use in daily interactions; the development of work skills; opportunities to earn money; opportunities to participate in community activities.

(d) **Sheltered Workshop (SHE).** Service in a segregated facility where a Participant is supervised in producing goods or performing services under this Contract to third parties. A Participant is paid at a wage that is commensurate with workers who do not have a disability for essentially the same type, quality, and quantity of work in accordance with the Connecticut Department and U.S. Department of Labor regulations.

(e) **Individualized Day Support (IDS).** Support to a Participant tailored to his/her specific personal outcomes related to the acquisition, improvement, and/or retention of skills and abilities to prepare and support a Participant for work and/or community participation and/or meaningful retirement activities, or for a Participant who has their own business, and could not do so without this direct support. Individualized Day Supports is broken down into three categories, non-vocational, vocational and retirement. Non-vocational and Vocation individualized day supports cannot be provided in or from a facility-based day program. Individualized Day Retirement program maybe provided in the home in accordance with the participant's individual plan. This service may not be provided at the same time as GSE, DSO, SHE, Individual Supported Employment, Respite, Personal Support, Adult Companion, or Individualized Home Supports.

3. **Additional Services.** When authorized by the Resource Administration, the Contractor shall provide one or more additional services. Based on availability of funds budgeted through this Contract and the Department's determination of need and/or specific directives the Department may allocate funds for:

(a) **One-time funding for person-specific supports.** One-time, non-annualized funds through this Contract for person-specific supports to assist a Participant who is experiencing a critical challenge. This funding shall provide specialized, short-term services to a Participant who resides or works in private sector settings. Such short-term services may include but are not limited to additional direct care staff, psychiatry and/or psychological services, specialized staff training, physical, occupational or speech therapy, counseling, clinical behavioral support, or any other appropriate supports, which assist in the continued presence of a Participant in his or her community not covered by a Participant's own entitlements.

(b) **One-time funding for provider-specific supports.** One-time, non-annualized funding for reasons, which do not directly relate to person-specific supports. Such supports may include but are not limited to additional funding for extraordinary agency increases to insurance expenses, state-mandated reimbursements, specialized staff training, or prior period refunds of cost settlement retrievals.

(c) **Respite.** Respite supports and services to families or primary caregivers of Participants served by the DDS so that they receive temporary relief from ongoing care-giving responsibilities.

(d) **Other Supports and Services.** Supports, services or Contractor's costs consistent with its statutory authority.

B. Contractor Requirements.

- 1. Supports and services.** At the execution of the contract, the Contractor shall provide to the Resource Administrator a description of the specific program supports and services to be provided. The description shall include, but not be limited to the program goal(s), number of Participants, location, support services, staffing and time frames.

(a) Continuous Quality Improvement Plan.

- (1) The Contractor shall assure that services provided to Participants reflect a commitment to individualized supports and services, are responsive to the culturally diverse needs of the Participants receiving such services and assist Participants being served to achieve an array of personal outcomes.
- (2) The Contractor shall have a Continuous Quality Improvement Plan that has been approved by the DDS and shall implement said plan no later than six (6) months after the execution of the contract. The plan should be based on the Quality Organization Self-Assessment tool developed by the DDS or another form of self assessment used by the Contractor for national accreditation and should include a cultural competency component.
- (3) Contractor shall submit regular reports on the status of the Continuous Quality Improvement Plan implementation in the form and manner prescribed by DDS. The Contractor further agrees to furnish DDS with any information DDS deems necessary for the purpose of assessing compliance with this provision.

- (b) Outcomes and Measures.** The Contractor shall implement the programs and services described herein to result in the following outcomes on behalf of Participants they support. Such outcomes shall be measured in the manner described herein. Outcome results achieved pursuant to these terms and conditions will be monitored by the DDS.

Program Type	Outcomes	Measures
1. ISE	Participants have jobs in the community	At least ____% of Participants will be gainfully employed in a community setting a minimum of 20 hours a week.
2. GSE	Participants have jobs in the community	At least ____% of Participants will be gainfully employed in a community setting a minimum of 20 hours a week.
3. SHE	Participants have work and receive compensation	At least ____% of Participants engage in compensated work a minimum of 20 hours a week.
4. DSO	Participants' individual needs are being addressed in their day program	100 % of Participants have a current IP that is being implemented at his/her day program (site or provider).

- (c) Group Day programs will provide a minimum programming of five and a half (5½) hours/day, five (5) days/week, excluding transportation. Participants may attend a program for fewer hours than the standard day only if the IP documents the need for a reduced day.
- (d) Individualized day program hours will be based on the needs of the Participant. Individualized Supported Employment programs provide the needed and appropriate supports to achieve and maintain the supported employment placement, throughout the term of the employment.
- (e) Unless fewer days are agreed upon by the Regional Resource Administrator, the Contractor will operate a minimum of two hundred fifty (250) days a year. Changes to the operating calendar for training or other reasons must be approved by the resource administration.
- (f) The Contractor will maintain or attain one hundred percent (100%) Active Treatment in their area(s) of responsibility for Participants living in ICF. An annual Vocational Evaluations for participants in the Contractor's day program that live in ICF facilities must be submitted to the ICF Administrator two (2) weeks prior to the scheduled IP meeting.
- (g) The Contractor shall submit to DDS' Resource Administrator and each Participant's residence by July 10th for each year of this Contract, a calendar of operation from July 1 to June 30, which indicates holidays, training days, and all other planned closings. A request for additional non-program days will be submitted to the Resource Administrator a minimum of four (4) weeks prior to the actual date. Once the approval is obtained, the Contractor will inform all residential services affected at least three (3) weeks prior to the actual day.
- (h) The Contractor will insure that Participants are paid wages in accordance with Federal Wage and Hour Regulations. Copies of U.S. Department of Labor and Connecticut Department of Labor regulations will be maintained and available for review.
- (i) Participants in employment programs will receive all fringe benefits received by other employees at the same job site including holidays, sick and vacation time. Full-time GSE Participants will receive a minimum of five (5) paid vacation days annually. Paid sick days and vacation days will be documented and available for review by DDS staff.
- (j) Supported Employment Participants who are temporarily displaced, laid off, or fired will receive the same number of program hours as when they were working. Whenever a change in program occurs and the Participant receives supports in a different program setting more than fifteen (15) days in a quarter, the Contractor will notify the Department of the need for a change in support services and discontinue billing until a new CSA is received. If the change in support services requires an increase in funding or a rate change, advance approval from the PRAT is required.
- (k) The Contractor shall provide only the service(s) authorized and shall maintain documentation that the service(s) were provided in accordance with an IP approved by the Participant's IDT. Failure to demonstrate proper documentation will result in a denial of reimbursement for the identified dates and/or hours of supports.

2. The Contractor shall adhere to the following requirements:

- (a) Department Policies, Procedures and Directives. The Contractor agrees to adhere to all Department policies, procedures and directives. Contractor will in-service staff on all DDS policies, procedures and directives applicable to private sector programs funded through this contract and pertinent to the respective position.
- (b) Human Rights. The Contractor shall ensure the human rights of all Participants; a program free from abuse and neglect; the use of restraints and psychotropic medications will be limited to DDS' policy, staff is hired according to DDS' policy regarding employment practices, and will adhere to the Participant's program, goals and objectives in the IP.

- (c) Control of Resources. The Department endorses the ability of a Participant to control his/her life as well as resources and make effective choices about his/her supports and desired outcomes. The Contractor acknowledges and will not interfere with the right of Participants to freely select among Qualified Providers or to self direct his/her own resources.
- (d) CSA. The Contractor agrees to provide the supports as defined in this Contract in accordance with the Participant's CSA. The Contractor cannot provide a Participant with day or residential supports for which monies are expected from the Department or will be expected at a later date without receiving the necessary authorization from the Department's Regional Resource Administrator. The Contractor may make temporary changes to the authorized support type due to emergency or unusual incidences other than those referenced for SEI Participants (**Part I, Section A, Subsection 2(a)**) for no more than five (5) program days in a quarter. Whenever a change in program occurs and the Participant receives supports in a different program setting more than five (5) days in a quarter, the Contractor will notify the case manager and discuss the appropriateness of the support services. Contractor may not bill for more than five (5) program days in a quarter in the temporary setting without approval from the case manager and Regional Resource Administrator. If the temporary change requires an increase in funding or a rate change, approval from the PRAT is required.
- (e) Agency Contact. The contractor shall establish a single emergency contact point for hours outside of the normal business operating hours. The contractor will notify the Department's Resource Manager of any changes in emergency contact point information by the next business day. The contractor shall maintain a viable E-mail address and Internet service providing sufficient capability to receive and open all Department attachments or to download from the Department's Website. The contractor will notify the Department's Resource Manager of any changes regarding E-mail addresses within five (5) business days.
- (f) Staffing Patterns. Staffing patterns must conform to the staffing schedules submitted with the OP. A generalized, sample weekly schedule of the program's staffing pattern must be presented to the regional resource manager for each year of this Contract. A revised schedule must be sent whenever there is a permanent change to the staffing pattern during the Contract period. Proposed changes from this pattern must be approved by DDS prior to its implementation.
- (g) Discharge and Suspensions. No Participant will be discharged or suspended from a program without the review of an IDT meeting and approval of Resource Administration.
- (h) Participant Change in Program. Any changes to the type and/or hours of supports provided to the Participant other than those detailed in this Contract requires a revised CSA.
- (i) Participation at Meetings. All qualified providers shall participate in quality and financial meetings with DDS.
- (j) Site Approval. The Contractor agrees that any program site shall be reviewed and approved by the DDS prior to being purchased or leased.
- (k) Staff Training. The Contractor agrees to arrange for staff training in areas that relate specifically to the kinds of services that its employees will be expected to provide:
 - (1) The Contractor will guarantee that its direct support employees are trained in a minimum of the following areas: Individual Plan, Medication, HIPAA, Bloodborne Pathogens, DDS's Policies, First Aid, CPR, the DDS's Mission, and Principles of Active Treatment, Abuse/Neglect Prevention, Sexual Abuse Prevention, and Behavioral supports based on the needs of the Participants. Contractors of licensed facilities will conform to the DDS's residential training requirements. The Contractor will have sufficient certified staff to administer medication to meet the needs of the Participants. Training documentation shall be available upon request. Documentation to include a complete listing of current staff working in DDS-funded programs, status of training in the preceding areas, the most recent date of training/certification, expiration date, and anticipated date of renewal if known.
 - (2) The Contractor agrees to participate in any orientation or training that is required by the contract to familiarize its employees with the needs of Participants supported by the Contractor through a Contract Service Authorization and to give its employees the necessary skills to meet those needs.

- (3) Direct support employees without prior experience working with Participants shall receive training specific to the needs of the participant within thirty (30) days of employment and preceding such training shall work only with other staff on duty who have received training.
- (l) Incident and Investigation Reporting. In accordance with the schedule outlined in Part I, Section C, the Contractor agrees to report to DDS all incidents of suspected abuse or neglect, all uses of restraint, all accident/injuries, and all unusual incidents that affect Participants receiving services pursuant to DDS policies and procedures within prescribed time frames.
- (1) Unusual incidents or occurrences affecting a Participant being supported by the Contractor shall be reported to the Regional Designee in accordance to the DDS' Incident Reporting policy and procedures. Incidents of abuse, neglect, and other critical incidents (as defined by the Department) shall be reported to the Regional Designee in accordance to the DDS' Incident Reporting policy and procedures. Other State and municipal agencies shall be notified at the same time. If necessary, the Regional on-call system shall be accessed by the contractor.
 - (2) Copies of all Unusual Incidents, Accident/Injury, Missing Persons, Medication Errors and Restraints reports shall be forwarded to DDS' Regional Office using procedures and forms provided by DDS.
 - (3) The Contractor agrees to investigate all suspected abuse and neglect incidents unless directed otherwise by DDS and submit a copy to DDS.
- (m) IDT.
- (1) The Contractor agrees to participate as a member of the Participant's IDT as required and assist in the development of the IP for each Participant authorized for funding.
 - (2) A revised CSA with the approval of the Participant and the IDT is required prior to a permanent change in the type of program in which the day supports are provided by the contractor. If this requires an increase in funding or a rate change, approval from the PRAT is required before the move can be made.
- (n) Enhancements. The Contractor must assure the well-being of Participants and the quality of services by participating in service evaluations in accordance with the QSR. If a Contractor participates in external certification programs, a copy of any evaluation results must be made available to DDS upon request.
- (o) Entitlement Changes. Contractors must notify DDS' Case Manager or Case Management Supervisor in writing of any known changes to a Participant's entitlement funding. Contractor must communicate in writing to the DDS' Case Manager or Case Management Supervisor whenever a Participant receives a lump sum payment for any reason, and/or loans from such Contractor. A repayment schedule must be communicated in writing annually.
- (p) Record Keeping and Access. Contractor shall make available original or copies of original financial, accounting and attendance records and all supporting documentation pertaining to all costs incurred in the operation of the Contractor's Connecticut-based programs. These financial, accounting and attendance records and all supporting documents shall be made readily available at the Contractor's Connecticut-based administrative office. In addition to the requirements in **Section 2 (C) 18**, the Contractor shall retain all such records concerning this contract for an additional period of seven (7) years.
- (q) Related Party Disclosure: The contractor shall comply with the related party (as defined in Part 2 of this contract) disclosure and reporting and allowable cost principles established by the Department. Whenever costs are incurred between related parties, allowable costs shall be defined as and limited to the cost to the related party. Findings of relatedness may be made in the absence of majority stock ownership of the related parties in respective organizations. The related party principle applies to any transaction between a contractor and a related party, including but not limited to one time or multiple transactions involving services or supplies and one time sales or lease of the facility itself. Related party transactions must be identified as such

in the cost report (i.e., Annual Report, Attachment D or other document specified by the department) and the unallowable portion excluded in the appropriate section of the cost report.

- (r) **Program Revisions.** An approved revision to the Operational Plan is required whenever a Contractor adds a new day program.
- (s) **Equipment:** The Department reserves the right to recoup any equipment, materials, deposits or down payments in the event this Contract is terminated or not renewed in accordance with Part 2, Section D (7) (B). The Department will provide the contractor with a description of the equipment to be returned, where the equipment shall be returned to and who is responsible to pay for the delivery/shipping costs. For purposes of this provision:
 - (1) Materials and equipment with a value of at least \$100.00 and a useful life of one (1) year that was purchased for the specific use of DDS in a funded program is subject to recoupment as determined by the department.
 - (2) Furniture and equipment with an individual value of \$500.00 or a total aggregate value of \$2500.00 for DDS funded programs are subject to recoupment as determined by the department.
- (t) **Personal Funds.** The Contractor will account for all receipts and disbursements in an individual accounting ledger for any participant whom the Contractor manages personal funds.
- (u) **Principal of the Entity.** Business entities that do not have an “Executive Director”, or readily known analogous position, must submit to Resource Administrator at the execution of this Contract or whenever there is a change in leadership the name of one (1) principal of the entity, who has the most responsibility for operations under this Contract, to be designated as the lead, who, for purposes of state law, will be functioning as the executive director of the entity. In such cases where the Contractor fails to properly inform DDS of the lead principal, all principals will be individually subject to the state laws governing the classification of executive director.

C. Program Reporting Requirements. The Contractor shall adhere to the reporting requirements outlined below.

1. **Monthly Reports of Attendance.** The Contractor shall submit web-based attendance reports through WebResDay Attendance Program to DDS by the 5th day of each month following the performance of services for each applicable programs.
2. **Admission and Discharge Reports.** The Contractor shall report to DDS each admission and discharge and such other routine information as may be required by DDS. Such reports shall be in the form prescribed by DDS.
3. **Reporting Requirements.** The Contractor shall make and file with DDS the following reports and provide the indicated documentation according to the following schedule:

Report/Documentation	Due	Submit to
a. Monthly (1) Residential and Day Attendance	Fifth of each month	Central Office
b. Bi-Annually (1) GSE locations (2) Staff Training	July 10, January 10 July 10, January 10	Regional Designee Regional Designee
c. Annually (1) Calendar of Operations (2) Staffing Schedules (3) Mid Year Expense Report (DDS Form) (4) Initial Operational Report (DDS Form) (5) Summary of Budget (DDS Form) <i>(only Contractors that do <u>not</u> file OP)</i> (6) Final Operational Report (DDS Form) (7) End Of Year. Expense Report (DDS Form) <i>(only Contractors that do <u>not</u> file Annual Reports)</i> (8) Insurance Certificate (9) Annual Report (DDS Form)	July 10 July 10 March 1 May 1 May 1 July 15 September 30 At the time of renewal of policy October 15	DDS Staff & Participant's Residence DDS Staff DDS Staff DDS Staff DDS Staff DDS Staff DDS Staff Craig J Lubitski DDS Staff
d. Upon occurrence (1) Participant Incident Reports (2) All Staff Vacancies, Role or location changes (3) Contract Participant Change Form	Twenty-four (24) hours after incident When vacant When Participant leaves a program or stops attending without explanation for more than fifteen (15) days.	Regional Designee Regional Designee Regional Designee

D. Fiscal

- 1. Payments.** DDS shall make retrospective payments on a monthly basis. Payment for Group Day Programs (GSE, DSO and SHE), and Individualized Day programs (SEI and IDS) will be based on the utilization of the service at the established rate of an approved CSA for all Participants during the month. Monthly payments will be made only after the DDS's receipt and approval of required reports.

(a) Contractors of Group Day Programs will be paid on a per diem basis for each Participant.

(1) A day of service is defined as five (5) hours and thirty (30) minutes.

(2) A Contractor may bill for each day that supports are provided to the Participant.

(3) A Participant will be considered in attendance if supports have been provided for at least two (2) hours and forty-six (46) minutes and a full day of services was available.

(4) In the event of an early closure due to inclement weather or an emergency incident, the Contractor may bill for a full day of attendance provided the Participant received supports for at least two (2) hours and forty-six (46) minutes.

(5) A program may reduce hours for staff training or other reasons approved by the region. The Contractor may bill for a full day of attendance provided the Participant received supports for at least two (2) hours and forty-six (46) minutes. Billings for such reductions are limited to no more than two (2) days per fiscal year.

(b) Contractors of SEI and IDS will be paid for each hour of support provided to the Participant.

2. **Maximum Financial Commitment.** The Department shall reimburse a Contractor the lesser of the maximum financial commitment or the total of all CSAs. Any increase or decrease to the maximum financial commitment of the contract will require an amendment to this Contract.

3. **Expenditures.** The Contractor agrees to maintain a separate cost center for each type of program specified under this contract. Contractors receiving funding from DDS under this award will adhere to the Office of Policy and Management's Cost Accounting Standards. The DDS' Cost Accounting Standards (Part II, Section C) establish the criteria to be applied to determine the allowability of costs funded by the Department. These Cost Accounting Standards also establish costs that are specifically allowable, costs that are specifically unallowable, and they establish documentation requirements for costs that can be funded under this award.

4. **Budget Variance.** The Contractor may make the following budget variances without DDS approval: line category expense changes within major cost categories such as "salaries", "employee benefits", "non-salary", "administrative" and "general". Any budget variance that would exceed fifteen percent (15%) of the major cost categories, but does not increase or decrease the maximum financial commitment, must be approved by DDS through a revised OP. Any budget variance within this Contract must be applied to cost centers within this contract. Any additional revenue generated under this Contract must be disclosed to DDS. Any expenditure from revenue generated under this contract for costs not related to this Contract must be discussed with and approved by DDS prior to the expenditure.

5. **Annual Report and Audit.**

(a) Contractors subject to the federal and state single audit standards shall, upon completion of each fiscal year during the term of this award or upon termination of this contract, cause to be prepared and delivered to DDS an Annual Report of Residential and Day Services, a cost report and performance reporting document for the fiscal year, which reconciles to audited financial statements prepared and filed in accordance with federal Single Audit Act requirements and Sections 4-230 through 4-236 of the C.G.S. as amended. Audited financial statements, notes to same, Management Report, and the auditor's opinion letter shall accompany the Annual Report filing.

(b) Contractors which are not subject to the federal and state single audit standards, and not otherwise exempt from the Annual Report requirements by statute or in writing from DDS, shall cause to be prepared and delivered to DDS an Annual Report certified by an independent public accountant as defined by Section 7-391 of the C.G.S. The Annual Report shall be completed in accordance with generally accepted accounting principles and audited in accordance with generally accepted auditing standards. In addition, Contractors that received financial compensation of more than three hundred thousand dollars (\$300,000) in a fiscal year are required to submit audited financial statements, notes to same, Management Report, and the auditor's opinion letter.

(c) Annual Report filings are due on October 15 or the first business day thereafter. For each day that the Annual Report is not filed, following the dates specified in this contract, a penalty of one half of one percent (.50%) of the current monthly payment attributable to administrative and general expenses shall be assessed from the total monthly payment for the first thirty (30) days; three-quarters of one percent (.75%) for the second thirty (30) days and one percent (1.0%) beyond sixty (60) days. This penalty shall result in a reduction in payment for the month following the calculation of the penalty.

- (d) The Commissioner of DSS may waive imposition of the penalty if he deems that extraordinary circumstances prevented the timely filing of the Annual Report. The waiver shall be granted according to terms and for a period of time established by the Commissioner of DDS. An organization must request a waiver, in writing, prior to the filing dates specified in these regulations. The Commissioner or designee will respond within fourteen (14) days to a request from the Contractor for a waiver of penalty fees.
- (e) The end of the year recoupment of excess funding will be based on the Annual Report data. All records shall be available for review at a place and time determined by DDS or the Department of Social Services.
- (f) Contractors will be exempt from submitting an Annual Report of Day Services whenever the financial compensation of a fiscal year is less than one hundred thousand dollars (\$100,000). The exemption is only for the fiscal year in which the financial compensation is less than one hundred thousand dollars (\$100,000).
- (g) In the event that the Contractor is exempt from the Annual Report filing requirement, the Contractor agrees that within ninety (90) days after the completion of each fiscal year during the term of this contract or within ninety (90) days after the termination of the contract, it will cause to be prepared and delivered to DDS an audit performed by an independent public accountant. If such "exempt" Contractor is subject to federal and state single audit requirements a statement of income and expenses reconciled to audited financial statements prepared and filed in accordance with such requirements shall be filed in lieu of the audit referenced in this paragraph. The Contractor will report the program budget and end-of-year financial reports on the following forms which shall be provided by DDS: Summary of Budget and End of Year Expense Report.
- (h) In the event that the end of the fiscal year does not coincide with the close of the Contractor's fiscal year and DDS has issued an exemption to the Annual Report process to the Contractor, DDS may, upon written request of the Contractor, grant a deferral of the audit/statement of income and expenses requirements until ninety (90) days after the close of the Contractor's fiscal year. In the event that a deferral is granted and the Contractor is not subject to federal and state single audit requirements, the Contractor will forward an unaudited statement of income and expenses within thirty (30) days following the termination of this contract.

6. Surplus or Excess Payments.

- (a) The Contractor agrees that subsequent to the end of each fiscal year or the termination of this contract, any reimbursement above actual cost will be returned to DDS in accordance with regulations and/or terms of this contract. The Department will notify the Contractor of the excess funding calculation at least thirty (30) days prior to the payment adjustment. Contractors who have complied with contract requirements and met service levels will be recouped in equal installments over the next three (3) payments. One time amounts will be recouped at one hundred percent (100%) recovery. The excess funding determination/calculation will match the total one time amounts authorized and reimbursed for all CSAs to the specific DDS-funded program. That is, one time amendments for day programs will be matched with day program costs.
- (b) The cost settlement will be based on the total of all SIDs. The total reimbursement will be compared with the total expenses as reported on the Annual Report. The Department will not reimburse any deficits resulting from the execution of this contract. Excess revenues from one program (GSE, DSO, IDS, SHE or SEI) may be applied against negative expense variances in another program (GSE, DSO, IDS, SHE or SEI). The Department will notify the Contractor of the cost settlement calculation at least thirty (30) days prior to the payment adjustment. If the Contractor has complied with the contract requirements and met all service levels, fifty percent (50%) of any surplus will be recouped in equal installments over the next three (3) payments with fifty percent (50%) being retained by the Contractor.

PART II. TERMS AND CONDITIONS

The Contractor shall comply with the following terms and conditions.

A. Definitions. Unless otherwise indicated, the following terms shall have the following corresponding definitions:

1. **“Bid”** shall mean a bid submitted in response to a solicitation.
2. **“Breach”** shall mean a party’s failure to perform some contracted-for or agreed-upon act, or his failure to comply with a duty imposed by law which is owed to another or to society.
3. **“Cancellation”** shall mean an end to the Contract affected pursuant to a right which the Contract creates due to a Breach.
4. **“Claims”** shall mean all actions, suits, claims, demands, investigations and proceedings of any kind, open, pending or threatened, whether mature, unmatured, contingent, known or unknown, at law or in equity, in any forum.
5. **“Client”** shall mean a recipient of the Contractor’s services.
6. **“Contract”** shall mean this agreement, as of its effective date, between the Contractor and the State for Services.
7. **“Contractor Parties”** shall mean a Contractor’s members, directors, officers, shareholders, partners, managers, principal officers, representatives, agents, servants, consultants, employees or any one of them or any other person or entity with whom the Contractor is in privity of oral or written contract (e.g. subcontractor) and the Contractor intends for such other person or entity to perform under the Contract in any capacity. For the purpose of this contract, vendors of support services, not otherwise known as human service providers or educators, shall not be considered subcontractors, e.g. lawn care, unless such activity is considered part of a training, vocational or educational program.
8. **“Data”** shall mean all results, technical information and materials developed and/or obtained in the performance of the Services hereunder, including but not limited to all reports, survey and evaluation tools, surveys and evaluations, plans, charts, recordings (video and/or sound), pictures, curricula, electronically prepared presentations, public awareness or prevention campaign materials, drawings, analyses, graphic representations, computer programs and printouts, notes and memoranda, and documents, whether finished or unfinished, which result from or are prepared in connection with the Services performed hereunder.
9. **“Day”** shall mean all calendar days, other than Saturdays, Sundays and days designated as national or State of Connecticut holidays upon which banks in Connecticut are closed.
10. **“Expiration”** shall mean an end to the Contract due to the completion in full of the mutual performances of the parties or due to the Contract’s term being completed.
11. **“Force Majeure”** shall mean events that materially affect the Services or the time schedule within which to perform and are outside the control of the party asserting that such an event has occurred, including, but not limited to, labor troubles unrelated to the Contractor, failure of or inadequate permanent power, unavoidable casualties, fire not caused by the Contractor, extraordinary weather conditions, disasters, riots, acts of God, insurrection or war.
12. **“Records”** shall mean all working papers and such other information and materials as may have been accumulated and/or produced by the Contractor in performing the Contract, including but not limited to,

documents, data, plans, books, computations, drawings, specifications, notes, reports, records, estimates, summaries and correspondence, kept or stored in any form.

13. **“Services”** shall mean the performance of Services as stated in Part I of this Contract.
14. **“State”** shall mean the State of Connecticut, including any agency, office, department, board, council, commission, institution or other executive branch agency of State Government.
15. **“Termination”** shall mean an end to the Contract affected pursuant to a right which the Contract creates, other than for a Breach.

B. Client-Related Safeguards.

1. **Inspection of Work Performed.** The Agency or its authorized representative shall at all times have the right to enter into the Contractor’s premises, or such other places where duties under the Contract are being performed, to inspect, to monitor or to evaluate the work being performed. The Contractor and all subcontractors must provide all reasonable facilities and assistance to Agency representatives. All inspections and evaluations shall be performed in such a manner as will not unduly delay work. The Contractor shall disclose information on clients, applicants and their families as requested unless otherwise prohibited by federal or state law. Written evaluations pursuant to this Section shall be made available to the Contractor.
2. **Safeguarding Client Information.** The Agency and the Contractor shall safeguard the use, publication and disclosure of information on all applicants for and all Clients who receive Services under this Contract with all applicable federal and state law concerning confidentiality and as may be further provided under the Contract.
3. **Reporting of Client Abuse or Neglect.** The Contractor shall comply with all reporting requirements relative to Client abuse and neglect, including but not limited to requirements as specified in C.G.S. §§ 17a-101 through 103, 19a-216, 46b-120 (related to children); C.G.S. § 46a-11b (relative to persons with mental retardation); and C.G.S. § 17b-407 (relative to elderly persons).
4. **Background Checks.** The State may require that the Contractor and Contractor Parties undergo criminal background checks as provided for in the State of Connecticut Department of Public Safety Administration and Operations Manual or such other State document as governs procedures for background checks. The Contractor and Contractor Parties shall cooperate fully as necessary or reasonably requested with the State and its agents in connection with such background checks.

C. Contractor Obligations.

1. **Cost Standards.** Effective January 1, 2007, the Contractor and funding state Agency shall comply with the Cost Standards issued by OPM, as may be amended from time to time. The Cost Standards are published by OPM on the Web at http://ct.gov/opm/fin/cost_standards. Such Cost Standards shall apply to:
 - (a) all new contracts effective on or after January 1, 2007;
 - (b) all contract amendments modifying funding, effective on or after January 1, 2007;
 - (c) all contracts in effect on or after July 1, 2007.
2. **Credits and Rights in Data.** Unless expressly waived in writing by the Agency, all Records and publications intended for public distribution during or resulting from the performances of this Contract shall

include a statement acknowledging the financial support of the State and the Agency and, where applicable, the federal government. All such publications shall be released in conformance with applicable federal and state law and all regulations regarding confidentiality. Any liability arising from such a release by the Contractor shall be the sole responsibility of the Contractor and the Contractor shall indemnify and hold harmless the Agency, unless the Agency or its agents co-authored said publication and said release is done with the prior written approval of the Agency Head. All publications shall contain the following statement: "This publication does not express the views of the [insert Agency name] or the State of Connecticut. The views and opinions expressed are those of the authors." Neither the Contractor nor any of its agents shall copyright Data and information obtained under this Contract, unless expressly previously authorized in writing by the Agency. The Agency shall have the right to publish, duplicate, use and disclose all such Data in any manner, and may authorize others to do so. The Agency may copyright any Data without prior Notice to the Contractor. The Contractor does not assume any responsibility for the use, publication or disclosure solely by the Agency of such Data.

3. Organizational Information, Conflict of Interest, IRS Form 990. During the term of the Contract and the 180 days following its date of Termination and/or Cancellation, the Contractor shall submit to the Agency copies of the following within thirty (30) days after having filed them:

- (a) its most recent IRS Form 990 submitted to the federal Internal Revenue Service, and
- (b) its most recent Annual Report filed with the Connecticut Secretary of the State's Office or such other information that the Agency deems appropriate with respect to the organization and affiliation of the Contractor and related entities.

4. Federal Funds.

- (a) The Contractor shall comply with requirements relating to the receipt or use of federal funds. The Agency shall specify all such requirements in Part I of this Contract.
- (b) The Contractor acknowledges that the Agency has established a policy, as mandated by section 6032 of the Deficit Reduction Act (DRA) of 2005, P.L. 109-171, that provides detailed information about the Federal False Claims Act, 31 U.S.C. §§ 3729-3733, and other laws supporting the detection and prevention of fraud and abuse.
 - (1) Contractor acknowledges that it has received a copy of said policy and shall comply with its terms, as amended, and with all applicable state and federal laws, regulations and rules. Contractor shall provide said policy to subcontractors and shall require compliance with the terms of the policy. Failure to abide by the terms of the policy, as determined by the Agency, shall constitute a Breach of this Contract and may result in termination of this Contract.
- (c) This section applies if, under this Contract, the Contractor or Contractor Parties furnishes, or otherwise authorizes the furnishing of health care items or services, performs billing or coding functions, or is involved in monitoring of health care provided by the Agency.
- (d) Contractor represents that it is not excluded, debarred, suspended or otherwise ineligible to participate in federal health care programs.
- (e) Contractor shall not, for purposes of performing the Contract with the Agency, knowingly employ or contract with, with or without compensation: (A) any individual or entity listed by a federal agency as excluded, debarred, suspended or otherwise ineligible to participate in federal health care programs; or (B) any person or entity who is excluded from contracting with the State of Connecticut or the federal government (as reflected in the General Services Administration

List of Parties Excluded from Federal Procurement and Non-Procurement Programs, Department of Health and Human Services, Office of Inspector General (HHS/OIG) Excluded Parties list and the Office of Foreign Assets Control (OFAC) list of Specially Designated Nationals and Blocked Persons List). Contractor shall immediately notify the Agency should it become subject to an investigation or inquiry involving items or services reimbursable under a federal health care program or be listed as ineligible for participation in or to perform services in connection with such program. The Agency may terminate this Contract immediately if at any point the Contractor, subcontractor or any of their employees are sanctioned, suspended, excluded from or otherwise become ineligible to participate in federal health care programs.

5. Audit Requirements.

- (a) The State Auditors of Public Accounts shall have access to all Records for the fiscal year(s) in which the award was made. The Contractor shall provide for an annual financial audit acceptable to the Agency for any expenditure of state-awarded funds made by the Contractor. Such audit shall include management letters and audit recommendations. The Contractor shall comply with federal and state single audit standards as applicable.
- (b) The Contractor shall make all of its and the Contractor Parties' Records available at all reasonable hours for audit and inspection by the State, including, but not limited to, the Agency, the Connecticut Auditors of Public Accounts, Attorney General and State's Attorney and their respective agents. Requests for any audit or inspection shall be in writing, at least ten (10) days prior to the requested date. All audits and inspections shall be at the requester's expense. The State may request an audit or inspection at any time during the Contract term and for three (3) years after Termination, Cancellation or Expiration of the Contract. The Contractor shall cooperate fully with the State and its agents in connection with an audit or inspection. Following any audit or inspection, the State may conduct and the Contractor shall cooperate with an exit conference.
- (c) For purposes of this subsection as it relates to State grants, the word "Contractor" shall be read to mean "nonstate entity," as that term is defined in C.G.S. § 4-230.

6. Related Party Transactions. The Contractor shall report all related party transactions, as defined in this section, to the Agency on an annual basis in the appropriate fiscal report as specified in Part I of this Contract. "Related party" means a person or organization related through marriage, ability to control, ownership, family or business association. Past exercise of influence or control need not be shown, only the potential or ability to directly or indirectly exercise influence or control. "Related party transactions" between a Contractor or Contractor Party and a related party include, but are not limited to:

- (a) real estate sales or leases;
- (b) leases for equipment, vehicles or household furnishings;
- (c) mortgages, loans and working capital loans; and
- (d) contracts for management, consultant and professional services as well as for materials, supplies and other services purchased by the Contractor or Contractor Party.

7. Suspension or Debarment. In addition to the representations and requirements set forth in Section D.4:

- (a) The Contractor certifies for itself and Contractor Parties involved in the administration of federal or state funds that they:
 - (1) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any governmental agency (federal, state or local);

- (2) within a three year period preceding the effective date of this Contract, have not been convicted or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a public (federal, state or local) transaction or contract under a public transaction; for violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property;
 - (3) are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any of the above offenses; (4) have not within a three year period preceding the effective date of this Contract had one or more public transactions terminated for cause or fault.
 - (b) Any change in the above status shall be immediately reported to the Agency.
8. **Liaison.** Each Party shall designate a liaison to facilitate a cooperative working relationship between the Contractor and the Agency in the performance and administration of this Contract.
9. **Subcontracts.** Each Contractor Party's identity, services to be rendered and costs shall be detailed in Part I of this Contract. Absent compliance with this requirement, no Contractor Party may be used or expense paid under this Contract unless expressly otherwise provided in Part I of this Contract. No Contractor Party shall acquire any direct right of payment from the Agency by virtue of this section or any other section of this Contract. The use of Contractor Parties shall not relieve the Contractor of any responsibility or liability under this Contract. The Contractor shall make available copies of all subcontracts to the Agency upon request.
10. **Independent Capacity of Contractor.** The Contractor and Contractor Parties shall act in an independent capacity and not as officers or employees of the state of Connecticut or of the Agency.
11. **Indemnification.**
- (a) The Contractor shall indemnify, defend and hold harmless the state of Connecticut and its officers, representatives, agents, servants, employees, successors and assigns from and against
 - (1) claims arising directly or indirectly, in connection with the Contract, including the acts of commission or omission (collectively the "Acts") of the Contractor or Contractor Parties; and
 - (2) liabilities, damages, losses, costs and expenses, including but not limited to attorneys' and other professionals' fees, arising, directly or indirectly, in connection with Claims, Acts or the Contract. The Contractor shall use counsel reasonably acceptable to the State in carrying out its indemnification and hold-harmless obligations under this Contract. The Contractor's obligations under this section to indemnify, defend and hold harmless against claims includes claims concerning confidentiality of any part of or all of the bid or any records, and intellectual property rights, other propriety rights of any person or entity, copyrighted or uncopyrighted compositions, secret processes, patented or unpatented inventions, articles or appliances furnished or used in the performance of the Contract.
 - (b) The Contractor shall reimburse the State for any and all damages to the real or personal property of the State caused by the Acts of the Contractor or any Contractor Parties. The State shall give the Contractor reasonable notice of any such claims.

- (c) The Contractor's duties under this section shall remain fully in effect and binding in accordance with the terms and conditions of the Contract, without being lessened or compromised in any way, even where the Contractor is alleged or is found to have merely contributed in part to the Acts giving rise to the claims and/or where the State is alleged or is found to have contributed to the Acts giving rise to the claims.
- (d) The Contractor shall carry and maintain at all times during the term of the Contract, and during the time that any sections survive the term of the Contract, sufficient general liability insurance to satisfy its obligations under this Contract. The Contractor shall name the State as an additional insured on the policy and shall provide a copy of the policy to the Agency prior to the effective date of the Contract. The Contractor shall not begin performance until the delivery of the policy to the Agency.
- (e) The rights provided in this section for the benefit of the State shall encompass the recovery of attorneys' and other professionals' fees expended in pursuing a claim against a third party.
- (f) This section shall survive the Termination, Cancellation or Expiration of the Contract, and shall not be limited by reason of any insurance coverage.

12. Insurance. Before commencing performance, the Agency may require the Contractor to obtain and maintain specified insurance coverage. In the absence of specific Agency requirements, the Contractor shall obtain and maintain the following insurance coverage at its own cost and expense for the duration of the Contract:

- (a) Commercial General Liability. \$1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage. Coverage shall include, Premises and Operations, Independent Contractors, Products and Completed Operations, Contractual Liability, and Broad Form Property Damage coverage. If a general aggregate is used, the general aggregate limit shall apply separately to the services to be performed under this Contract or the general aggregate limit shall be twice the occurrence limit;
- (b) Automobile Liability. \$1,000,000 combined single limit per accident for bodily injury. Coverage extends to owned, hired and non-owned automobiles. If the vendor/contractor does not own an automobile, but one is used in the execution of this Contract, then only hired and non-owned coverage is required. If a vehicle is not used in the execution of this Contract then automobile coverage is not required.
- (c) Professional Liability. \$1,000,000 limit of liability, if applicable; and/or
- (d) Workers' Compensation and Employers Liability. Statutory coverage in compliance with the Compensation laws of the State of Connecticut. Coverage shall include Employer's Liability with minimum limits of \$100,000 each accident, \$500,000 Disease – Policy limit, \$100,000 each employee.

13. Choice of Law/Choice of Forum, Settlement of Disputes, Claims Against the State.

- (a) The Contract shall be deemed to have been made in the City of Hartford, State of Connecticut. Both Parties agree that it is fair and reasonable for the validity and construction of the Contract to be, and it shall be, governed by the laws and court decisions of the State of Connecticut, without

giving effect to its principles of conflicts of laws. To the extent that any immunities provided by federal law or the laws of the State of Connecticut do not bar an action against the State, and to the extent that these courts are courts of competent jurisdiction, for the purpose of venue, the complaint shall be made returnable to the Judicial District of Hartford only or shall be brought in the United States District Court for the District of Connecticut only, and shall not be transferred to any other court, provided, however, that nothing here constitutes a waiver or compromise of the sovereign immunity of the State of Connecticut. The Contractor waives any objection which it may now have or will have to the laying of venue of any Claims in any forum and further irrevocably submits to such jurisdiction in any suit, action or proceeding.

- (b) Any dispute concerning the interpretation or application of this Contract shall be decided by the Agency Head or his/her designee whose decision shall be final, subject to any rights the Contractor may have pursuant to state law. In appealing a dispute to the Agency Head pursuant to this section, the Contractor shall be afforded an opportunity to be heard and to offer evidence in support of its appeal. Pending final resolution of a dispute, the Contractor and the Agency shall proceed diligently with the performance of the Contract.
- (c) The Contractor agrees that the sole and exclusive means for the presentation of any claim against the State arising from this Contract shall be in accordance with Title 4, Chapter 53 of the Connecticut General Statutes (Claims Against the State) and the Contractor further agrees not to initiate legal proceedings, except as authorized by that Chapter, in any state or federal court in addition to or in lieu of said Chapter 53 proceedings.

14. Compliance with Law and Policy, Facility Standards and Licensing. Contractor shall comply with all:

- (a) pertinent local, state and federal laws and regulations as well as Agency policies and procedures applicable to contractor's programs as specified in this Contract. The Agency shall notify the Contractor of any applicable new or revised laws, regulations, policies or procedures which the Agency has responsibility to promulgate or enforce; and
- (b) applicable local, state and federal licensing, zoning, building, health, fire and safety regulations or ordinances, as well as standards and criteria of pertinent state and federal authorities. Unless otherwise provided by law, the Contractor is not relieved of compliance while formally contesting the authority to require such standards, regulations, statutes, ordinance or criteria.

15. Representations and Warranties. Contractor shall:

- (a) perform fully under the Contract;
- (b) pay for and/or secure all permits, licenses and fees and give all required or appropriate notices with respect to the provision of Services as described in Part I of this Contract; and
- (c) adhere to all contractual sections ensuring the confidentiality of all Records that the Contractor has access to and are exempt from disclosure under the State's Freedom of Information Act or other applicable law.

16. Reports. The Contractor shall provide the Agency with such statistical, financial and programmatic information necessary to monitor and evaluate compliance with the Contract. All requests for such information shall comply with all applicable state and federal confidentiality laws. The Contractor shall provide the Agency with such reports as the Agency requests as required by this Contract.

17. Delinquent Reports. The Contractor shall submit required reports by the designated due dates as identified in this Contract. After notice to the Contractor and an opportunity for a meeting with an Agency

representative, the Agency reserves the right to withhold payments for services performed under this Contract if the Agency has not received acceptable progress reports, expenditure reports, refunds, and/or audits as required by this Contract or previous contracts for similar or equivalent services the Contractor has entered into with the Agency. This section shall survive any Termination of the Contract or the Expiration of its term.

- 18. Record Keeping and Access.** The Contractor shall maintain books, Records, documents, program and individual service records and other evidence of its accounting and billing procedures and practices which sufficiently and properly reflect all direct and indirect costs of any nature incurred in the performance of this Contract. These Records shall be subject at all reasonable times to monitoring, inspection, review or audit by authorized employees or agents of the State or, where applicable, federal agencies. The Contractor shall retain all such Records concerning this Contract for a period of three (3) years after the completion and submission to the State of the Contractor's annual financial audit.
- 19. Encryption of Data.**
- (a) The Contractor, at its own expense, shall encrypt any and all electronically stored data now or hereafter in its possession or control located on non-state owned or managed devices that the State, in accordance with its existing state policies classifies as confidential or restricted. The method of encryption shall be compliant with the State of Connecticut Enterprise Wide Technical Architecture ("EWTA") or such other method as deemed acceptable by the Agency. This shall be a continuing obligation for compliance with the EWTA standard as it may change from time to time. The EWTA domain architecture documents can be found at <http://www.ct.gov/doit/cwp/view.asp?a=1245&q=253968>.
 - (b) In the event of a breach of security or loss of State data, the Contractor shall notify the Agency and the OAG as soon as practical but not later than twenty-four (24) hours after the discovery or suspicion of such breach or loss that such data has been comprised through breach or loss. The requirements of this section are in addition to those that may apply under Part II, Section E.
- 20. Workforce Analysis.** The Contractor shall provide a workforce Analysis Affirmative Action report related to employment practices and procedures.
- 21. Litigation.**
- (a) The Contractor shall require that all Contractor Parties, as appropriate, disclose to the Contractor, to the best of their knowledge, any Claims involving the Contractor Parties that might reasonably be expected to materially adversely affect their businesses, operations, assets, properties, financial stability, business prospects or ability to perform fully under the Contract, no later than ten (10) days after becoming aware or after they should have become aware of any such Claims. Disclosure shall be in writing.
 - (b) The Contractor shall provide written Notice to the Agency of any final decision by any tribunal or state or federal agency or court which is adverse to the Contractor or which results in a settlement, compromise or claim or agreement of any kind for any action or proceeding brought against the Contractor or its employee or agent under the Americans with Disabilities Act of 1990 as revised or amended from time to time, Executive Orders Nos. 3 & 17 of Governor Thomas J. Meskill and any other requirements of federal or state law concerning equal employment opportunities or nondiscriminatory practices.
- 22. Sovereign Immunity.** The Contractor and Contractor Parties acknowledge and agree that nothing in the Contract, or the solicitation leading up to the Contract, shall be construed as a modification, compromise or waiver by the State of any rights or defenses of any immunities provided by Federal law or the laws of

the State of Connecticut to the State or any of its officers and employees, which they may have had, now have or will have with respect to all matters arising out of the Contract. To the extent that this Section conflicts with any other Section, this Section shall govern.

Section D. Changes To The Contract, Termination, Cancellation and Expiration.

1. Contract Amendment.

- (a) No amendment to or modification or other alteration of this Contract shall be valid or binding upon the parties unless made in writing, signed by the parties and, if applicable, approved by the Connecticut Attorney General.
- (b) The Agency may amend this Contract to reduce the contracted amount of compensation if:
 - (1) the total amount budgeted by the State for the operation of the Agency or Services provided under the program is reduced or made unavailable in any way; or
 - (2) federal funding reduction results in reallocation of funds within the Agency.
- (c) If the Agency decides to reduce the compensation, the Agency shall send written Notice to the Contractor. Within twenty (20) Days of the Contractor's receipt of the Notice, the Contractor and the Agency shall negotiate the implementation of the reduction of compensation unless the parties mutually agree that such negotiations would be futile. If the parties fail to negotiate an implementation schedule, then the Agency may terminate the Contract effective no earlier than sixty (60) Days from the date that the Contractor receives written notification of Termination and the date that work under this Contract shall cease.

2. Contractor Changes and Assignment.

- (a) The Contractor shall notify the Agency in writing:
 - (1) at least ninety (90) days prior to the effective date of any fundamental changes in the Contractor's corporate status, including merger, acquisition, transfer of assets, and any change in fiduciary responsibility;
 - (2) no later than ten (10) days from the effective date of any change in:
 - (A) its certificate of incorporation or other organizational document;
 - (B) more than a controlling interest in the ownership of the Contractor; or
 - (C) the individual(s) in charge of the performance.
- (b) No such change shall relieve the Contractor of any responsibility for the accuracy and completeness of the performance. The Agency, after receiving written Notice from the Contractor of any such change, may require such contracts, releases and other instruments evidencing, to the Agency's satisfaction, that any individuals retiring or otherwise separating from the Contractor have been compensated in full or that allowance has been made for compensation in full, for all work performed under terms of the Contract. The Contractor shall deliver such documents to the Agency in accordance with the terms of the Agency's written request. The Agency may also require, and the Contractor shall deliver, a financial statement showing that solvency of the Contractor is maintained. The death of any Contractor Party, as applicable, shall not release the Contractor from the obligation to perform under the Contract; the

surviving Contractor Parties, as appropriate, must continue to perform under the Contract until performance is fully completed.

- (c) Assignment. The Contractor shall not assign any of its rights or obligations under the Contract, voluntarily or otherwise, in any manner without the prior written consent of the Agency.
 - (1) The Contractor shall comply with requests for documentation deemed to be appropriate by the Agency in considering whether to consent to such assignment.
 - (2) The Agency shall notify the Contractor of its decision no later than forty-five (45) Days from the date the Agency receives all requested documentation.
 - (3) The Agency may void any assignment made without the Agency's consent and deem such assignment to be in violation of this Section and to be in Breach of the Contract. Any cancellation of this Contract by the Agency for a Breach shall be without prejudice to the Agency's or the State's rights or possible claims against the Contractor.

3. Breach.

- (a) If either party Breaches this Contract in any respect, the non-breaching party shall provide written notice of the Breach to the breaching party and afford the breaching party an opportunity to cure within ten (10) Days from the date that the breaching party receives the notice. In the case of a Contractor Breach, the Agency may modify the ten (10) day cure period in the notice of Breach. The right to cure period shall be extended if the non-breaching party is satisfied that the breaching party is making a good faith effort to cure, but the nature of the Breach is such that it cannot be cured within the right to cure period. The Notice may include an effective Contract Termination date if the Breach is not cured by the stated date and, unless otherwise modified by the non-breaching party in writing prior to the Termination date, no further action shall be required of any party to effect the Termination as of the stated date. If the notice does not set forth an effective Contract Termination date, then the non-breaching party may terminate the Contract by giving the breaching party no less than twenty four (24) hours' prior written Notice after the expiration of the cure period.
- (b) If the Agency believes that the Contractor has not performed according to the Contract, the Agency may:
 - (1) withhold payment in whole or in part pending resolution of the performance issue, provided that the Agency notifies the Contractor in writing prior to the date that the payment would have been due in accordance with the budget;
 - (2) temporarily discontinue all or part of the Services to be provided under the Contract;
 - (3) permanently discontinue part of the Services to be provided under the Contract;
 - (4) assign appropriate State personnel to provide contracted for Services to assure continued performance under the Contract until such time as the contractual Breach has been corrected to the satisfaction of the Agency;
 - (5) require that contract funding be used to enter into a subcontract with a person or persons designated by the Agency in order to bring the program into contractual compliance;
 - (6) take such other actions of any nature whatsoever as may be deemed appropriate for the best interests of the State or the program(s) provided under this Contract or both; or

- (7) any combination of the above actions.
 - (c) The Contractor shall return all unexpended funds to the Agency no later than thirty (30) calendar days after the Contractor receives a demand from the Agency.
 - (d) In addition to the rights and remedies granted to the Agency by this Contract, the Agency shall have all other rights and remedies granted to it by law in the event of Breach of or default by the Contractor under the terms of this Contract.
 - (e) The action of the Agency shall be considered final. If at any step in this process the Contractor fails to comply with the procedure and, as applicable, the mutually agreed plan of correction, the Agency may proceed with Breach remedies as listed under this section.
4. **Non-enforcement Not to Constitute Waiver.** No waiver of any Breach of the Contract shall be interpreted or deemed to be a waiver of any other or subsequent Breach. All remedies afforded in the Contract shall be taken and construed as cumulative, that is, in addition to every other remedy provided in the Contract or at law or in equity. A party's failure to insist on strict performance of any section of the Contract shall only be deemed to be a waiver of rights and remedies concerning that specific instance of performance and shall not be deemed to be a waiver of any subsequent rights, remedies or Breach.
5. **Suspension.** If the Agency determines in its sole discretion that the health and welfare of the clients or public safety is being adversely affected, the Agency may immediately suspend in whole or in part the Contract without prior notice and take any action that it deems to be necessary or appropriate for the benefit of the clients. The Agency shall notify the Contractor of the specific reasons for taking such action in writing within five (5) Days of immediate suspension. Within five (5) Days of receipt of this notice, the Contractor may request in writing a meeting with the Agency Head or designee. Any such meeting shall be held within five (5) Days of the written request, or such later time as is mutually agreeable to the parties. At the meeting, the Contractor shall be given an opportunity to present information on why the Agency's actions should be reversed or modified. Within five (5) Days of such meeting, the Agency shall notify the Contractor in writing of his/her decision upholding, reversing or modifying the action of the Agency head or designee. This action of the Agency head or designee shall be considered final.
6. **Ending the Contractual Relationship.**
- (a) This Contract shall remain in full force and effect for the duration of its entire term or until such time as it is terminated earlier by either party. Either party may terminate this contract by providing at least sixty (60) days prior written notice pursuant to the Notice requirements of this Contract.
 - (b) The Agency may immediately terminate the Contract in whole or in part whenever the Agency makes a determination that such termination is in the best interest of the State. Notwithstanding Section D.2, the Agency may immediately terminate or cancel this Contract in the event that the Contractor or any subcontractors becomes financially unstable to the point of threatening its ability to conduct the services required under this Contract, ceases to conduct business in the normal course, makes a general assignment for the benefit of creditors, suffers or permits the appointment of a receiver for its business or its assets.
 - (c) The Agency shall notify the Contractor in writing of Termination pursuant to subsection (b) above, which shall specify the effective date of termination and the extent to which the Contractor must complete or immediately cease performance. Such Notice of Termination shall be sent in accordance with the Notice provision contained on page 1 of this Contract. Upon receiving the Notice from the Agency, the Contractor shall immediately discontinue all Services affected in accordance with the Notice, undertake all reasonable and necessary efforts to mitigate any losses or

damages, and deliver to the Agency all Records as defined in Section A.12, unless otherwise instructed by the Agency in writing, and take all actions that are necessary or appropriate, or that the Agency may reasonably direct, for the protection of Clients and preservation of any and all property. Such Records are deemed to be the property of the Agency and the Contractor shall deliver them to the Agency no later than thirty (30) days after the Termination of the Contract or fifteen (15) days after the Contractor receives a written request from the Agency for the specified records whichever is less. The Contractor shall deliver those Records that exist in electronic, magnetic or other intangible form in a non-proprietary format, such as, but not limited to ASCII or .TXT.

- (d) The Agency may terminate the Contract at any time without prior notice when the funding for the Contract is no longer available.
- (e) The Contractor shall deliver to the Agency any deposits, prior payment, advance payment or down payment if the Contract is terminated by either party within thirty (30) days after receiving demand from the Agency. The Contractor shall return to the Agency any funds not expended in accordance with the terms and conditions of the Contract and, if the Contractor fails to do so upon demand, the Agency may recoup said funds from any future payments owing under this Contract or any other contract between the State and the Contractor. Allowable costs, as detailed in audit findings, incurred until the date of termination for operation or transition of program(s) under this Contract shall not be subject to recoupment.

7. Transition after Termination or Expiration of Contract.

- (a) If this Contract is terminated for any reason or it expires in accordance with its term, the Contractor shall do and perform all things which the Agency determines to be necessary or appropriate to assist in the orderly transfer of Clients served under this Contract and shall assist in the orderly cessation of Services it performs under this Contract. In order to complete such transfer and wind down the performance, and only to the extent necessary or appropriate, if such activities are expected to take place beyond the stated end of the Contract term then the Contract shall be deemed to have been automatically extended by the mutual consent of the parties prior to its expiration without any affirmative act of either party, including executing an amendment to the Contract to extend the term, but only until the transfer and winding down are complete.
- (b) If this Contract is terminated, cancelled or not renewed, the Contractor shall return to the Agency any equipment, deposits or down payments made or purchased with start-up funds or other funds specifically designated for such purpose under this Contract in accordance with the written instructions from the Agency in accordance with the Notice provision of this Contract. Written instructions shall include, but not be limited to, a description of the equipment to be returned, where the equipment shall be returned to and who is responsible to pay for the delivery/shipping costs. Unless the Agency specifies a shorter time frame in the letter of instructions, the Contractor shall affect the returns to the Agency no later than sixty (60) days from the date that the Contractor receives Notice.

E. Statutory and Regulatory Compliance.

1. Health Insurance Portability and Accountability Act of 1996.

- (a) If the Contractor is a Business Associate under the requirements of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), the Contractor must comply with all terms and conditions of this Section of the Contract. If the Contractor is not a Business Associate under HIPAA, this Section of the Contract does not apply to the Contractor for this Contract.

- (b) The Contractor is required to safeguard the use, publication and disclosure of information on all applicants for, and all clients who receive, services under the Contract in accordance with all applicable federal and state law regarding confidentiality, which includes but is not limited to HIPAA, more specifically with the Privacy and Security Rules at 45 C.F.R. Part 160 and Part 164, subparts A, C, and E; and
- (c) The State of Connecticut Agency named on page 1 of this Contract (“Agency”) is a “covered entity” as that term is defined in 45 C.F.R. § 160.103; and
- (d) The Contractor, on behalf of the Agency, performs functions that involve the use or disclosure of “individually identifiable health information,” as that term is defined in 45 C.F.R. § 160.103; and
- (e) The Contractor is a “business associate” of the Agency, as that term is defined in 45 C.F.R. § 160.103; and
- (f) The Contractor and the Agency agree to the following in order to secure compliance with the HIPAA, the requirements of Subtitle D of the Health Information Technology for Economic and Clinical Health Act (“HITECH Act”), (Pub. L. 111-5, §§ 13400 to 13423)¹, and more specifically with the Privacy and Security Rules at 45 C.F.R. Part 160 and Part 164, subparts A, C, and E.
- (g) Definitions
 - (1) “Breach” shall have the same meaning as the term is defined in section 13400 of the HITECH Act (42 U.S.C. §17921(1)).
 - (2) “Business Associate” shall mean the Contractor.
 - (3) “Covered Entity” shall mean the Agency of the State of Connecticut named on page 1 of this Contract.
 - (4) “Designated Record Set” shall have the same meaning as the term “designated record set” in 45 C.F.R. § 164.501.
 - (5) “Electronic Health Record” shall have the same meaning as the term is defined in section 13400 of the HITECH Act (42 U.S.C. §17921(5)).
 - (6) “Individual” shall have the same meaning as the term “individual” in 45 C.F.R. § 160.103 and shall include a person who qualifies as a personal representative as defined in 45 C.F.R. § 164.502(g).
 - (7) “Privacy Rule” shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. part 160 and part 164, subparts A and E.
 - (8) “Protected Health Information” or “PHI” shall have the same meaning as the term “protected health information” in 45 C.F.R. § 160.103, limited to information created or received by the Business Associate from or on behalf of the Covered Entity.
 - (9) “Required by Law” shall have the same meaning as the term “required by law” in 45 C.F.R. § 164.103.

¹ The effective date of the HITECH Act is February 17, 2010.

- (10) “Secretary” shall mean the Secretary of the Department of Health and Human Services or his designee.
 - (11) “More stringent” shall have the same meaning as the term “more stringent” in 45 C.F.R. § 160.202.
 - (12) “This Section of the Contract” refers to the HIPAA Provisions stated herein, in their entirety.
 - (13) “Security Incident” shall have the same meaning as the term “security incident” in 45 C.F.R. § 164.304.
 - (14) “Security Rule” shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 C.F.R. part 160 and part 164, subpart A and C.
 - (15) “Unsecured protected health information” shall have the same meaning as the term as defined in section 13402(h)(1)(A) of HITECH. Act. (42 U.S.C. §17932(h)(1)(A)).
- (h) Obligations and Activities of Business Associates.
- (1) Business Associate agrees not to use or disclose PHI other than as permitted or required by this Section of the Contract or as Required by Law.
 - (2) Business Associate agrees to use appropriate safeguards to prevent use or disclosure of PHI other than as provided for in this Section of the Contract.
 - (3) Business Associate agrees to use administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of electronic protected health information that it creates, receives, maintains, or transmits on behalf of the Covered Entity.
 - (4) Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of a use or disclosure of PHI by Business Associate in violation of this Section of the Contract.
 - (5) Business Associate agrees to report to Covered Entity any use or disclosure of PHI not provided for by this Section of the Contract or any security incident of which it becomes aware.
 - (6) Business Associate agrees to insure that any agent, including a subcontractor, to whom it provides PHI received from, or created or received by Business Associate, on behalf of the Covered Entity, agrees to the same restrictions and conditions that apply through this Section of the Contract to Business Associate with respect to such information.
 - (7) Business Associate agrees to provide access, at the request of the Covered Entity, and in the time and manner agreed to by the parties, to PHI in a Designated Record Set, to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 C.F.R. § 164.524.
 - (8) Business Associate agrees to make any amendments to PHI in a Designated Record Set that the Covered Entity directs or agrees to pursuant to 45 C.F.R. § 164.526 at the request of the Covered Entity, and in the time and manner agreed to by the parties.

- (9) Business Associate agrees to make internal practices, books, and records, including policies and procedures and PHI, relating to the use and disclosure of PHI received from, or created or received by, Business Associate on behalf of Covered Entity, available to Covered Entity or to the Secretary in a time and manner agreed to by the parties or designated by the Secretary, for purposes of the Secretary determining Covered Entity's compliance with the Privacy Rule.
- (10) Business Associate agrees to document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528 and section 13405 of the HITECH Act (42 U.S.C. § 17935) and any regulations promulgated thereunder.
- (11) Business Associate agrees to provide to Covered Entity, in a time and manner agreed to by the parties, information collected in accordance with subsection (h)(10) of this Section of the Contract, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528 and section 13405 of the HITECH Act (42 U.S.C. § 17935) and any regulations promulgated thereunder. Business Associate agrees at the Covered Entity's direction to provide an accounting of disclosures of PHI directly to an individual in accordance with 45 C.F.R. § 164.528 and section 13405 of the HITECH Act (42 U.S.C. § 17935) and any regulations promulgated thereunder.
- (12) Business Associate agrees to comply with any state or federal law that is more stringent than the Privacy Rule.
- (13) Business Associate agrees to comply with the requirements of the HITECH Act relating to privacy and security that are applicable to the Covered Entity and with the requirements of 45 C.F.R. §§ 164.504(e), 164.308, 164.310, 164.312, and 164.316.
- (14) In the event that an individual requests that the Business Associate
 - (A) restrict disclosures of PHI;
 - (B) provide an accounting of disclosures of the individual's PHI; or
 - (C) provide a copy of the individual's PHI in an electronic health record, the Business Associate agrees to notify the covered entity, in writing, within two business days of the request.
- (15) Business Associate agrees that it shall not, directly or indirectly, receive any remuneration in exchange for PHI of an individual without
 - (A) the written approval of the covered entity, unless receipt of remuneration in exchange for PHI is expressly authorized by this Contract and
 - (B) the valid authorization of the individual, except for the purposes provided under section 13405(d)(2) of the HITECH Act, (42 U.S.C. § 17935(d)(2)) and in any accompanying regulations
- (16) Obligations in the Event of a Breach.

- (A) The Business Associate agrees that, following the discovery of a breach of unsecured protected health information, it shall notify the Covered Entity of such breach in accordance with the requirements of section 13402 of HITECH (42 U.S.C. 17932(b) and this Section of the Contract.
- (B) Such notification shall be provided by the Business Associate to the Covered Entity without unreasonable delay, and in no case later than 30 days after the breach is discovered by the Business Associate, except as otherwise instructed in writing by a law enforcement official pursuant to section 13402(g) of HITECH (42 U.S.C. 17932(g)). A breach is considered discovered as of the first day on which it is, or reasonably should have been, known to the Business Associate. The notification shall include the identification and last known address, phone number and email address of each individual (or the next of kin of the individual if the individual is deceased) whose unsecured protected health information has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, or disclosed during such breach.
- (C) The Business Associate agrees to include in the notification to the Covered Entity at least the following information:
1. A brief description of what happened, including the date of the breach and the date of the discovery of the breach, if known.
 2. A description of the types of unsecured protected health information that were involved in the breach (such as full name, Social Security number, date of birth, home address, account number, or disability code).
 3. The steps the Business Associate recommends that individuals take to protect themselves from potential harm resulting from the breach.
 4. A detailed description of what the Business Associate is doing to investigate the breach, to mitigate losses, and to protect against any further breaches.
 5. Whether a law enforcement official has advised either verbally or in writing the Business Associate that he or she has determined that notification or notice to individuals or the posting required under section 13402 of the HITECH Act would impede a criminal investigation or cause damage to national security and; if so, include contact information for said official.
- (D) Business Associate agrees to provide appropriate staffing and have established procedures to ensure that individuals informed by the Covered Entity of a breach by the Business Associate have the opportunity to ask questions and contact the Business Associate for additional information regarding the breach. Such procedures shall include a toll-free telephone number, an e-mail address, a posting on its Web site and a postal address. Business Associate agrees to include in the notification of a breach by the Business Associate to the Covered Entity, a written description of the procedures that have been established to meet these requirements. Costs of such contact procedures will be borne by the Contractor.
- (E) Business Associate agrees that, in the event of a breach, it has the burden to demonstrate that it has complied with all notifications requirements set forth

above, including evidence demonstrating the necessity of a delay in notification to the Covered Entity.

- (i) Permitted Uses and Disclosure by Business Associate.
 - (1) General Use and Disclosure Provisions Except as otherwise limited in this Section of the Contract, Business Associate may use or disclose PHI to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in this Contract, provided that such use or disclosure would not violate the Privacy Rule if done by Covered Entity or the minimum necessary policies and procedures of the Covered Entity.
 - (2) Specific Use and Disclosure Provisions
 - (A) Except as otherwise limited in this Section of the Contract, Business Associate may use PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate.
 - (B) Except as otherwise limited in this Section of the Contract, Business Associate may disclose PHI for the proper management and administration of Business Associate, provided that disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.
 - (C) Except as otherwise limited in this Section of the Contract, Business Associate may use PHI to provide Data Aggregation services to Covered Entity as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B).
- (j) Obligations of Covered Entity.
 - (1) Covered Entity shall notify Business Associate of any limitations in its notice of privacy practices of Covered Entity, in accordance with 45 C.F.R. § 164.520, or to the extent that such limitation may affect Business Associate's use or disclosure of PHI.
 - (2) Covered Entity shall notify Business Associate of any changes in, or revocation of, permission by Individual to use or disclose PHI, to the extent that such changes may affect Business Associate's use or disclosure of PHI.
 - (3) Covered Entity shall notify Business Associate of any restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 C.F.R. § 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.
- (k) Permissible Requests by Covered Entity. Covered Entity shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by the Covered Entity, except that Business Associate may use and disclose PHI for data aggregation, and management and administrative activities of Business Associate, as permitted under this Section of the Contract.
- (l) Term and Termination.

- (1) Term. The Term of this Section of the Contract shall be effective as of the date the Contract is effective and shall terminate when the information collected in accordance with provision (h)(10) of this Section of the Contract is provided to the Covered Entity and all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy PHI, protections are extended to such information, in accordance with the termination provisions in this Section.
- (2) Termination for Cause Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall either:
 - (A) Provide an opportunity for Business Associate to cure the breach or end the violation and terminate the Contract if Business Associate does not cure the breach or end the violation within the time specified by the Covered Entity; or
 - (B) Immediately terminate the Contract if Business Associate has breached a material term of this Section of the Contract and cure is not possible; or
 - (C) If neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.
- (3) Effect of Termination.
 - (A) Except as provided in (1)(2) of this Section of the Contract, upon termination of this Contract, for any reason, Business Associate shall return or destroy all PHI received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. Business Associate shall also provide the information collected in accordance with section (h)(10) of this Section of the Contract to the Covered Entity within ten business days of the notice of termination. This section shall apply to PHI that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the PHI.
 - (B) In the event that Business Associate determines that returning or destroying the PHI is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Upon documentation by Business Associate that return or destruction of PHI is infeasible, Business Associate shall extend the protections of this Section of the Contract to such PHI and limit further uses and disclosures of PHI to those purposes that make return or destruction infeasible, for as long as Business Associate maintains such PHI. Infeasibility of the return or destruction of PHI includes, but is not limited to, requirements under state or federal law that the Business Associate maintains or preserves the PHI or copies thereof.
- (m) Miscellaneous Sections.
 - (1) Regulatory References. A reference in this Section of the Contract to a section in the Privacy Rule means the section as in effect or as amended.
 - (2) Amendment. The Parties agree to take such action as is necessary to amend this Section of the Contract from time to time as is necessary for Covered Entity to comply with requirements of the Privacy Rule and the Health Insurance Portability and Accountability Act of 1996, Pub. L. No. 104-191.

- (3) Survival. The respective rights and obligations of Business Associate shall survive the termination of this Contract.
- (4) Effect on Contract. Except as specifically required to implement the purposes of this Section of the Contract, all other terms of the Contract shall remain in force and effect.
- (5) Construction. This Section of the Contract shall be construed as broadly as necessary to implement and comply with the Privacy Standard. Any ambiguity in this Section of the Contract shall be resolved in favor of a meaning that complies, and is consistent with, the Privacy Standard.
- (6) Disclaimer. Covered Entity makes no warranty or representation that compliance with this Section of the Contract will be adequate or satisfactory for Business Associate's own purposes. Covered Entity shall not be liable to Business Associate for any claim, civil or criminal penalty, loss or damage related to or arising from the unauthorized use or disclosure of PHI by Business Associate or any of its officers, directors, employees, contractors or agents, or any third party to whom Business Associate has disclosed PHI contrary to the sections of this Contract or applicable law. Business Associate is solely responsible for all decisions made, and actions taken, by Business Associate regarding the safeguarding, use and disclosure of PHI within its possession, custody or control.
- (7) Indemnification. The Business Associate shall indemnify and hold the Covered Entity harmless from and against any and all claims, liabilities, judgments, fines, assessments, penalties, awards and any statutory damages that may be imposed or assessed pursuant to HIPAA, as amended or the HITECH Act, including, without limitation, attorney's fees, expert witness fees, costs of investigation, litigation or dispute resolution, and costs awarded thereunder, relating to or arising out of any violation by the Business Associate and its agents, including subcontractors, of any obligation of Business Associate and its agents, including subcontractors, under this section of the contract, under HIPAA, the HITECH Act, the Privacy Rule and the Security Rule.

- 2. **Americans with Disabilities Act.** The Contractor shall be and remain in compliance with the Americans with Disabilities Act of 1990 (<http://www.ada.gov/>) as amended from time to time ("Act") to the extent applicable, during the term of the Contract. The Agency may cancel this Contract if the Contractor fails to comply with the Act. The Contractor represents that it is familiar with the terms of this Act and that it is in compliance with the law. The Contractor warrants that it shall hold the State harmless from any liability which may be imposed upon the state as a result of any failure of the Contractor to be in compliance with this Act. As applicable, the Contractor shall comply with section 504 of the Federal Rehabilitation Act of 1973, as amended from time to time, 29 U.S.C. § 794 (Supp. 1993), regarding access to programs and facilities by people with disabilities.
- 3. **Utilization of Minority Business Enterprises.** The Contractor shall perform under this contract in accordance with 45 C.F.R. Part 74; and, as applicable, C.G.S. §§ 4a-60 to 4a-60a and 4a-60g to carry out this policy in the award of any subcontracts.
- 4. **Priority Hiring.** Subject to the Contractor's exclusive right to determine the qualifications for all employment positions, the Contractor shall give priority to hiring welfare recipients who are subject to time-limited welfare and must find employment. The Contractor and the Agency shall work cooperatively to determine the number and types of positions to which this Section shall apply.

5. Non-discrimination.

- (a) The following subsections are set forth here as required by section 4a-60 of the Connecticut General Statutes:
- (1) The Contractor agrees and warrants that in the performance of the Contract such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religious creed, age, marital status, national origin, ancestry, sex, mental retardation, mental disability or physical disability, including, but not limited to, blindness, unless it is shown by such Contractor that such disability prevents performance of the work involved, in any manner prohibited by the laws of the United States or of the state of Connecticut. The Contractor further agrees to take affirmative action to insure that applicants with job-related qualifications are employed and that employees are treated when employed without regard to their race, color, religious creed, age, marital status, national origin, ancestry, sex, mental retardation, mental disability or physical disability, including, but not limited to, blindness, unless it is shown by such Contractor that such disability prevents performance of the work involved;
 - (2) the Contractor agrees, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, to state that it is an "affirmative action-equal opportunity employer" in accordance with regulations adopted by the commission;
 - (3) the Contractor agrees to provide each labor union or representative of workers with which such Contractor has a collective bargaining agreement or other contract or understanding and each vendor with which such Contractor has a contract or understanding, a notice to be provided by the commission advising the labor union or workers' representative of the Contractor's commitments under this section, and to post copies of the notice in conspicuous places available to employees and applicants for employment;
 - (4) the Contractor agrees to comply with each provision of this section and sections 46a-68e and 46a-68f and with each regulation or relevant order issued by said commission pursuant to sections 46a-56, 46a-68e and 46a-68f;
 - (5) the Contractor agrees to provide the Commission on Human Rights and Opportunities with such information requested by the commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the Contractor as relate to the provisions of this section and section 46a-56.
- (b) If the Contract is a public works contract, the Contractor agrees and warrants that he will make good faith efforts to employ minority business enterprises as subcontractors and suppliers of materials on such public works project.
- (c) "Minority business enterprise" means any small contractor or supplier of materials fifty-one per cent or more of the capital stock, if any, or assets of which is owned by a person or persons:
- (1) Who are active in the daily affairs of the enterprise,
 - (2) who have the power to direct the management and policies of the enterprise and
 - (3) who are members of a minority, as such term is defined in subsection (a) of section 32-9n; and

“good faith” means that degree of diligence which a reasonable person would exercise in the performance of legal duties and obligations. “Good faith efforts” shall include, but not be limited to, those reasonable initial efforts necessary to comply with statutory or regulatory requirements and additional or substituted efforts when it is determined that such initial efforts will not be sufficient to comply with such requirements.

- (d) Determination of the Contractor's good faith efforts shall include but shall not be limited to the following factors: The Contractor's employment and subcontracting policies, patterns and practices; affirmative advertising, recruitment and training; technical assistance activities and such other reasonable activities or efforts as the commission may prescribe that are designed to ensure the participation of minority business enterprises in public works projects.
- (e) The Contractor shall develop and maintain adequate documentation, in a manner prescribed by the commission, of its good faith efforts.
- (f) The Contractor shall include the provisions of sections (a) and (b) above in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the state and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the commission. The Contractor shall take such action with respect to any such subcontract or purchase order as the commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with section 46a-56; provided, if such Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the commission, the Contractor may request the state of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the state and the state may so enter.
- (g) The following subsections are set forth here as required by section 4a-60a of the Connecticut General Statutes:
 - (1) the Contractor agrees and warrants that in the performance of the Contract such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of sexual orientation, in any manner prohibited by the laws of the United States or of the state of Connecticut, and that employees are treated when employed without regard to their sexual orientation;
 - (2) the Contractor agrees to provide each labor union or representative of workers with which such Contractor has a collective bargaining agreement or other contract or understanding and each vendor with which such Contractor has a contract or understanding, a notice to be provided by the Commission on Human Rights and Opportunities advising the labor union or workers' representative of the Contractor's commitments under this section, and to post copies of the notice in conspicuous places available to employees and applicants for employment;
 - (3) the Contractor agrees to comply with each provision of this section and with each regulation or relevant order issued by said commission pursuant to section 46a-56; and
 - (4) the Contractor agrees to provide the Commission on Human Rights and Opportunities with such information requested by the commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the Contractor which relate to the provisions of this section and section 46a-56.
- (h) The Contractor shall include the provisions of section (g) above in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the state and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the commission. The Contractor shall take such action with respect to any such

subcontract or purchase order as the commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with section 46a-56; provided, if such Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the commission, the Contractor may request the state of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the state and the state may so enter.

- (i) For the purposes of this entire Non-Discrimination section, "Contract" or "contract" includes any extension or modification of the Contract or contract, "Contractor" or "contractor" includes any successors or assigns of the Contractor or contractor, "marital status" means being single, married as recognized by the state of Connecticut, widowed, separated or divorced, and "mental disability" means one or more mental disorders, as defined in the most recent edition of the American Psychiatric Association's "Diagnostic and Statistical Manual of Mental Disorders", or a record of or regarding a person as having one or more such disorders. For the purposes of this section, "Contract" does not include a contract where each contractor is
 - (1) a political subdivision of the state, including, but not limited to, a municipality,
 - (2) a quasi-public agency, as defined in C.G.S. § 1-120,
 - (3) any other state, including but not limited to any federally recognized Indian tribal governments, as defined in C.G.S. § 1-267,
 - (4) the federal government,
 - (5) a foreign government, or
 - (6) an agency of a subdivision, agency, state or government described in the immediately preceding enumerated items (1), (2), (3), (4) or (5).

6. Freedom of Information.

- (a) Contractor acknowledges that the Agency must comply with the Freedom of Information Act, C.G.S. §§ 1-200 et seq. ("FOIA") which requires the disclosure of documents in the possession of the State upon request of any citizen, unless the content of the document falls within certain categories of exemption, as defined by C.G.S. § 1-210(b).
- (b) Governmental Function. In accordance with C.G.S. § 1-218, if the amount of this Contract exceeds two million five hundred thousand dollars (\$2,500,000), and the Contractor is a "person" performing a "governmental function", as those terms are defined in C.G.S. §§ 1-200(4) and (11), the Agency is entitled to receive a copy of the Records and files related to the Contractor's performance of the governmental function, which may be disclosed by the Agency pursuant to the FOIA.

- 7. **Whistleblowing.** This Contract is subject to C.G.S. § 4-61dd if the amount of this Contract is a "large state contract" as that term is defined in C.G.S. § 4-61dd(h). In accordance with this statute, if an officer, employee or appointing authority of the Contractor takes or threatens to take any personnel action against any employee of the Contractor in retaliation for such employee's disclosure of information to any employee of the Contracting state or quasi-public agency or the Auditors of Public Accounts or the Attorney General under subsection (a) of such statute, the Contractor shall be liable for a civil penalty of not more than five thousand dollars (\$5,000) for each offense, up to a maximum of twenty per cent (20%) of the value of this Contract. Each violation shall be a separate and distinct offense and in the case of a continuing violation, each calendar day's continuance of the violation shall be deemed to be a separate and distinct offense. The State may request that the Attorney General bring a civil action in the Superior Court for the Judicial District of Hartford to seek imposition and recovery of such civil penalty. In

accordance with subsection (f) of such statute, each large state Contractor, as defined in the statute, shall post a notice of the relevant sections of the statute relating to large state Contractors in a conspicuous place which is readily available for viewing by the employees of the Contractor.

8. **Campaign Contribution Restrictions.** For all State contracts as defined in C.G.S. § 9-612(g) the authorized signatory to this Contract expressly acknowledges receipt of the State Elections Enforcement Commission's ("SEEC") notice advising state contractors of state campaign contribution and solicitation prohibitions, and will inform its principals of the contents of the notice. See SEEC Form 11 reproduced below:

NOTICE TO EXECUTIVE BRANCH STATE CONTRACTORS AND PROSPECTIVE STATE CONTRACTORS OF CAMPAIGN CONTRIBUTION AND SOLICITATION BAN

This notice is provided under the authority of Connecticut General Statutes § 9-612(g)(2), as amended by P.A. 07-1, and is for the purpose of informing state contractors and prospective state contractors of the following law (*italicized words are defined below*):

Campaign Contribution and Solicitation Ban

No *state contractor, prospective state contractor, principal of a state contractor or principal of a prospective state contractor*, with regard to a *state contract or state contract solicitation* with or from a state agency in the executive branch or a quasi-public agency or a holder, or principal of a holder of a valid prequalification certificate, shall make a contribution to, or *solicit* contributions on behalf of (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of Governor, Lieutenant Governor, Attorney General, State Comptroller, Secretary of the State or State Treasurer, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee;

In addition, no holder or principal of a holder of a valid prequalification certificate, shall make a contribution to, or solicit contributions on behalf of (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of State senator or State representative, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee.

Duty to Inform

State contractors and prospective state contractors are required to inform their principals of the above prohibitions, as applicable, and the possible penalties and other consequences of any violation thereof.

Penalties for Violations

Contributions or solicitations of contributions made in violation of the above prohibitions may result in the following civil and criminal penalties:

Civil penalties—\$2000 or twice the amount of the prohibited contribution, whichever is greater, against a principal or a contractor. Any state contractor or prospective state contractor which fails to make reasonable efforts to comply with the provisions requiring notice to its principals of these prohibitions and the possible consequences of their violations may also be subject to civil penalties of \$2000 or twice the amount of the prohibited contributions made by their principals.

Criminal penalties—Any knowing and willful violation of the prohibition is a Class D felony, which may subject the violator to imprisonment of not more than 5 years, or \$5000 in fines, or both.

Contract Consequences

Contributions made or solicited in violation of the above prohibitions may result, in the case of a state contractor, in the contract being voided.

Contributions made or solicited in violation of the above prohibitions, in the case of a prospective state contractor, shall result in the contract described in the state contract solicitation not being awarded to the prospective state contractor, unless the State Elections Enforcement Commission determines that mitigating circumstances exist concerning such violation.

The State will not award any other state contract to anyone found in violation of the above prohibitions for a period of one year after the election for which such contribution is made or solicited, unless the State Elections Enforcement Commission determines that mitigating circumstances exist concerning such violation.

Additional information and the entire text of P.A. 07-1 may be found on the website of the State Elections Enforcement Commission, www.ct.gov/seec. Click on the link to "State Contractor Contribution Ban."

Definitions:

"State contractor" means a person, business entity or nonprofit organization that enters into a state contract. Such person, business entity or nonprofit organization shall be deemed to be a state contractor until December thirty-first of the year in which such contract terminates. "State contractor" does not include a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or an employee in the executive or legislative branch of state government or a quasi-public agency, whether in the classified or unclassified service and full or part-time, and only in such person's capacity as a state or quasi-public agency employee.

"Prospective state contractor" means a person, business entity or nonprofit organization that (i) submits a response to a state contract solicitation by the state, a state agency or a quasi-public agency, or a proposal in response to a request for proposals by the state, a state agency or a quasi-public agency, until the contract has been entered into, or (ii) holds a valid prequalification certificate issued by the Commissioner of Administrative Services under section 4a-100.

"Prospective state contractor" does not include a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or an employee in the executive or legislative branch of state government or a quasi-public agency, whether in the classified or unclassified service and full or part-time, and only in such person's capacity as a state or quasi-public agency employee.

"Principal of a state contractor or prospective state contractor" means (i) any individual who is a member of the board of directors of, or has an ownership interest of five per cent or more in, a state contractor or prospective state contractor, which is a business entity, except for an individual who is a member of the board of directors of a nonprofit organization, (ii) an individual who is employed by a state contractor or prospective state contractor, which is a business entity, as president, treasurer or executive vice president, (iii) an individual who is the chief executive officer of a state contractor or prospective state contractor, which is not a business entity, or if a state contractor or prospective state contractor has no such officer, then the officer who duly possesses comparable powers and duties, (iv) an officer or an employee of any state contractor or prospective state contractor who has *managerial or discretionary responsibilities with respect to a state contract*, (v) the spouse or a *dependent child* who is eighteen years of age or older of an individual described in this subparagraph, or (vi) a political committee established or controlled by an individual described in this subparagraph or the business entity or nonprofit organization that is the state contractor or prospective state contractor.

"State contract" means an agreement or contract with the state or any state agency or any quasi-public agency, let through a procurement process or otherwise, having a value of fifty thousand dollars or more, or a combination or series of such agreements or contracts having a value of one hundred thousand dollars or more in a calendar year, for (i) the rendition of services, (ii) the furnishing of any goods, material, supplies, equipment or any items of any kind, (iii) the construction, alteration or repair of any public building or public work, (iv) the acquisition, sale or lease of any land or building, (v) a licensing arrangement, or (vi) a grant, loan or loan guarantee. "State contract" does not include any agreement or contract with the state, any state agency or any quasi-public agency that is exclusively federally funded, an education loan or a loan to an individual for other than commercial purposes.

"State contract solicitation" means a request by a state agency or quasi-public agency, in whatever form issued, including, but not limited to, an invitation to bid, request for proposals, request for information or request for quotes, inviting bids, quotes or other types of submittals, through a competitive procurement process or another process authorized by law waiving competitive procurement.

"Managerial or discretionary responsibilities with respect to a state contract" means having direct, extensive and substantive responsibilities with respect to the negotiation of the state contract and not peripheral, clerical or ministerial responsibilities.

"Dependent child" means a child residing in an individual's household who may legally be claimed as a dependent on the federal income tax of such individual. "Solicit" means (A) requesting that a contribution be made, (B) participating in any fund-raising activities for a candidate committee, exploratory committee, political committee or party committee, including, but not limited to, forwarding tickets to potential contributors, receiving contributions for transmission to any such committee or bundling contributions, (C) serving as chairperson, treasurer or deputy treasurer of any such committee, or (D) establishing a political committee for the sole purpose of soliciting or receiving contributions for any committee. Solicit does not include: (i) making a contribution that is otherwise permitted by Chapter 155 of the Connecticut General Statutes; (ii) informing any person of a position taken by a candidate for public office or a public official, (iii) notifying the person of any activities of, or contact information for, any candidate for public office; or (iv) serving as a member in any party committee or as an officer of such committee that is not otherwise prohibited in this section.

9. **Non-smoking.** If the Contractor is an employer subject to C.G.S. § 31-40q, the Contractor shall provide the Agency with a copy of its written rules concerning smoking. Evidence of compliance with C.G.S. § 31-40q must be received prior to Contract approval by the Agency.
10. **Executive Orders.** This Contract is subject to Executive Order No. 3 of Governor Thomas J. Meskill, promulgated June 16, 1971, concerning labor employment practices; Executive Order No. 17 of Governor Thomas J. Meskill, promulgated February 15, 1973, concerning the listing of employment openings; Executive Order No. 16 of Governor John G. Rowland, promulgated August 4, 1999, concerning violence in the workplace. This Contract may also be subject to Executive Order 7C of Governor M. Jodi Rell, promulgated July 13, 2006, concerning contracting reforms and Executive Order 14 of Governor M. Jodi Rell, promulgated April 17, 2006, concerning procurement of cleaning products and services, in accordance with their respective terms and conditions. All of these Executive orders are incorporated into and made a part of the Contract as if they had been fully set forth in it. At the Contractor's request, the Agency shall provide a copy of these Orders to the Contractor.

REMOVE THIS INSERT PAGE

REPLACE WITH PAGE 39 OF 40

**IN THE PROVIDER SPECIFIC
CONTRACT PAGES PDF FILE.**

REMOVE THIS INSERT PAGE

REPLACE WITH PAGE 40 OF 40

**IN THE PROVIDER SPECIFIC
CONTRACT PAGES PDF FILE.**